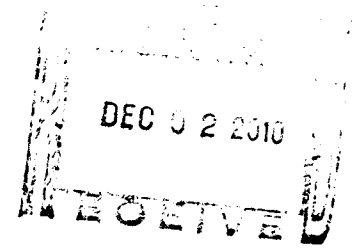


227077



November 30, 2010

Mrs. Jocelyn Boyd
Chief Clerk/Administrator
South Carolina Public Service Commission
101 Executive Center Dr., Suite 100
Columbia, South Carolina 29210



Dear Mrs. Boyd:

In compliance with the Public Service Commission's Order No. 18,100 in Docket No. 17,134 dated January 15, 1975; a request from the Executive Director dated September 30, 1987; Order Nos. 88-864 and 88-971 in Docket No. 88-11-E; and the officer verification certification enacted by the Commission on December 17, 2002, Carolina Power & Light Company d/b/a Progress Energy Carolinas, Inc. submits the following information per its books and as adjusted for the 12-month period ending September 30, 2010:

1. Officer verification certificate
2. System Rate of Return on Rate Base - Exhibit A1
3. South Carolina Rate of Return on Rate Base - Exhibit A2
4. Return on Common Equity (Allocated to South Carolina Retail) - Exhibit B
5. Earnings Per Share on Progress Energy's Common Stock - \$3.08
6. Debt Coverage Ratio or Earnings to Fixed Charges - 5.22 times

The allocations and adjustments required to determine the information requested in the Commission's orders and request are in general accordance with the allocation methodology described by the Commission in our most recent general rate case (Docket No. 88-11-E, Order No. 88-864). The level of detail encompassed in this report is not sufficient for ratemaking purposes.

Attached is a copy of this report, which I request that you stamp and return to me. If you have any questions or concerns, please call me at 919-546-2559.

✓
du

Sincerely,

Morgan A. Foster

M. Scott Foster
Manager - PEC Regulatory & Property Accounting
Progress Energy Service Company

RECEIVED

DEC 02 2010

PSC SC
CLERK'S OFFICE

c: John Flitter

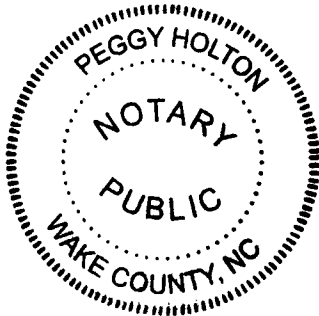
Enclosure

CERTIFICATION

(Certification must be signed by the Chief Financial Officer)

I, Mark F. Mulhern, state and attest, under penalty of perjury, that the attached quarterly financial report is filed on behalf of Progress Energy Carolinas, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

The information in this filing is subject to and should be read in conjunction with all filings made by Progress Energy, Inc. with the SEC that contain information related to Progress Energy, Inc.'s and/or Progress Energy Carolinas, Inc.'s 2010 financial results, copies of which can be obtained at <http://www.sec.gov/edgar>.



Mark F. Mulhern

Mark F. Mulhern
Chief Financial Officer
Progress Energy, Inc.

11/29/10

Date Signed

Subscribed and Sworn to before me this 29th day of November, 2010

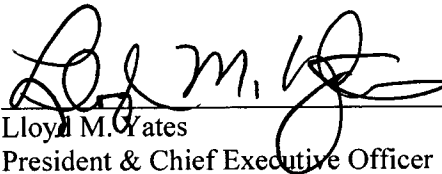
Peggy Holton
Notary Public
My Commission Expires: June 25, 2011

CERTIFICATION

(Certification must be signed by the Chief Executive Officer)

I, Lloyd M. Yates, state and attest, under penalty of perjury, that the attached quarterly financial report is filed on behalf of Progress Energy Carolinas, Inc. as required by the Public Service Commission of South Carolina; That I have reviewed said report and, in the exercise of due diligence, have made reasonable inquiry into the accuracy of the information and representations provided therein; and that, to the best of my knowledge, information, and belief, all information contained therein is accurate and true and contains no false, fictitious, fraudulent or misleading statements; that no material information or fact has been knowingly omitted or misstated therein, and that all information contained therein has been prepared and presented in accordance with all applicable South Carolina general statutes, Commission rules and regulations, and applicable Commission Orders. Any violation of this Certification may result in the Commission initiating a formal earnings review proceeding.

The information in this filing is subject to and should be read in conjunction with all filings made by Progress Energy, Inc. with the SEC that contain information related to Progress Energy, Inc.'s and/or Progress Energy Carolinas, Inc.'s 2010 financial results, copies of which can be obtained at <http://www.sec.gov/edgar>.

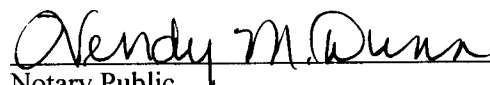


Lloyd M. Yates
President & Chief Executive Officer
Progress Energy Carolinas, Inc.

11/29/10

Date Signed

Subscribed and Sworn to before me this 29th day of November, 2010.



Notary Public
My Commission Expires: July 5, 2012

PROGRESS ENERGY CAROLINAS
SC QUARTERLY REPORT
PER BOOKS AND ADJUSTED COS STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2010

SYSTEM TOTAL - ELECTRIC OPERATIONS			
DESCRIPTION	TOTAL PER BOOKS	ADJUSTMENTS	TOTAL WITH ADJUSTMENTS
(1)	(2)	(3)	(4)
	\$	\$	\$
NET OPERATING REVENUE	4,863,191,980	-	4,863,191,980
OPERATING EXPENSE:			
NET O&M EXPENSES	3,133,200,439	(192,039,424)	2,941,161,015
DEPRECIATION	476,287,553	30,803,639	507,091,192
TAXES (OTHER THAN INCOME)	218,034,119	1,082,233	219,116,352
INCOME TAX - STATE	35,899,494	2,500,286	38,399,780
INCOME TAX - FEDERAL	167,170,228	14,163,209	181,333,437
PROV. FOR DEFERRED TAXES	156,912,738	27,880,568	184,793,306
INVESTMENT TAX CREDIT	(5,732,283)	-	(5,732,283)
TOTAL OPERATING EXPENSE	4,181,772,288	(115,609,489)	4,066,162,799
INCOME FOR RETURN:			
OPERATING INCOME	681,419,692	115,609,489	797,029,181
CUSTOMER GROWTH	2,189,006	371,386	2,560,392
INTEREST ON CUST. DEPOSITS	(6,175,583)	-	(6,175,583)
HARRIS DEFERRAL AMORT.	-	-	-
TOTAL INCOME FOR RETURN	677,433,115	115,980,875	793,413,990
RATE BASE:			
PLANT IN SERVICE:			
ELECTRIC PLANT IN SERVICE	16,671,460,024	204,194,964	16,875,654,988
PLANT HELD FOR FUTURE USE	12,194,598	-	12,194,598
RESERVE FOR DEPRECIATION	(8,863,745,136)	(33,813,407)	(8,897,558,543)
NET PLANT IN SERVICE	7,819,909,486	170,381,557	7,990,291,043
NUCLEAR FUEL INVENTORY	383,001,288	-	383,001,288
DEFERRED TAXES - LIB. DEPR.	(1,406,071,172)	140,126,458	(1,265,944,714)
REGULATORY ASSETS	700,301,311	(106,990,220)	593,311,091
WORKING CAPITAL:			
MATERIALS & SUPPLIES	636,425,390	29,328,651	665,754,041
CASH WORKING CAPITAL	463,057,746	-	463,057,746
UNCLAIMED REFUNDS	(416,334)	-	(416,334)
PREPAYMENTS	7,510,956	-	7,510,956
TAX ACCRUALS	(53,373,192)	-	(53,373,192)
CUSTOMER DEPOSITS	(103,741,907)	-	(103,741,907)
OPERATING RESERVES	(674,822,808)	-	(674,822,808)
CUSTOMER ADVANCES FOR CONSTR.	(19,060,851)	-	(19,060,851)
UNAMORTIZED PROJECTS	-	-	-
TOTAL WORKING CAPITAL	255,579,000	29,328,651	284,907,651
TOTAL RATE BASE	7,752,719,913	232,846,446	7,985,566,359
RATE OF RETURN (%)	8.74		9.94

PROGRESS ENERGY CAROLINAS
SC QUARTERLY REPORT
PER BOOKS AND ADJUSTED COS STUDY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2010

S.C. RETAIL TOTAL - ELECTRIC OPERATIONS			
DESCRIPTION	TOTAL PER BOOKS	ADJUSTMENTS	TOTAL WITH ADJUSTMENTS
(1)	(2)	(3)	(4)
	\$	\$	\$
NET OPERATING REVENUE	568,064,207	-	568,064,207
OPERATING EXPENSE:			
NET O&M EXPENSES	427,257,271	(9,846,630)	417,410,641
DEPRECIATION	69,007,386	4,185,333	73,192,719
TAXES (OTHER THAN INCOME)	14,866,438	155,875	15,022,313
INCOME TAX - STATE	3,479,925	(155,891)	3,324,034
INCOME TAX - FEDERAL	(16,531,745)	1,738,154	(14,793,591)
PROV. FOR DEFERRED TAXES	33,781,411	(4,958,804)	28,822,607
INVESTMENT TAX CREDIT	(818,417)	-	(818,417)
TOTAL OPERATING EXPENSE	531,042,269	(8,881,963)	522,160,305
INCOME FOR RETURN:			
OPERATING INCOME	37,021,938	8,881,963	45,903,902
CUSTOMER GROWTH	(7,495)	(1,798)	(9,293)
INTEREST ON CUST. DEPOSITS	(515,654)	-	(515,654)
HARRIS DEFERRAL AMORT.	-	-	-
TOTAL INCOME FOR RETURN	36,498,789	8,880,165	45,378,955
RATE BASE:			
PLANT IN SERVICE:			
ELECTRIC PLANT IN SERVICE	2,399,742,395	29,410,376	2,429,152,771
PLANT HELD FOR FUTURE USE	1,756,398	-	1,756,398
RESERVE FOR DEPRECIATION	(1,264,311,874)	(4,788,112)	(1,269,099,986)
NET PLANT IN SERVICE	1,137,186,919	24,622,264	1,161,809,183
NUCLEAR FUEL INVENTORY	55,247,724	-	55,247,724
DEFERRED TAXES - LIB. DEPR.	(225,434,458)	19,469,203	(205,965,255)
REGULATORY ASSETS	110,018,690	(15,409,893)	94,608,797
WORKING CAPITAL:			
MATERIALS & SUPPLIES	92,357,929	5,411,813	97,769,742
CASH WORKING CAPITAL	62,537,458	-	62,537,458
UNCLAIMED REFUNDS	(83,072)	-	(83,072)
PREPAYMENTS	1,229,161	-	1,229,161
TAX ACCRUALS	(6,488,118)	-	(6,488,118)
CUSTOMER DEPOSITS	(15,710,807)	-	(15,710,807)
OPERATING RESERVES	(96,182,188)	-	(96,182,188)
CUSTOMER ADVANCES FOR CONSTR.	(2,537,926)	-	(2,537,926)
UNAMORTIZED PROJECTS	-	-	-
TOTAL WORKING CAPITAL	35,122,437	5,411,813	40,534,250
TOTAL RATE BASE	1,112,141,312	34,093,386	1,146,234,698
RATE OF RETURN (%)	3.28		3.96

PROGRESS ENERGY CAROLINAS
S.C. QUARTERLY REPORT
S.C. RETAIL - RETURN ON COMMON EQUITY
FOR THE TEST YEAR ENDED SEPTEMBER 30, 2010

"PER BOOKS"

DESCRIPTION	TOTAL COMPANY CAPITALIZATION		S.C. RETAIL RATE BASE	RATE EARNED	NET OPERATING INCOME
	AMOUNT \$	RATIO %			
(1)	(2)	(3)	(4)	(5)	(6)
LONG-TERM DEBT	3,687,878,877	40.53%	450,750,874	5.01%	22,582,619
PREFERRED STOCK	59,333,982	0.65%	7,228,919	5.56%	401,928
COMMON EQUITY	5,352,575,188	58.82%	654,161,520	2.07%	13,514,242
TOTAL CAPITALIZATION	9,099,788,047	100.00%	1,112,141,312		36,498,789

"ADJUSTED"

DESCRIPTION	TOTAL COMPANY CAPITALIZATION		S.C. RETAIL RATE BASE	RATE EARNED	NET OPERATING INCOME
	AMOUNT \$	RATIO %			
(1)	(2)	(3)	(4)	(5)	(6)
LONG-TERM DEBT	3,684,580,958	41.04%	470,414,720	5.01%	23,567,777
PREFERRED STOCK	59,333,982	0.66%	7,565,149	5.56%	420,622
COMMON EQUITY	5,234,568,565	58.30%	668,254,829	3.20%	21,390,556
TOTAL CAPITALIZATION	8,978,483,505	100.00%	1,146,234,698		45,378,955